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Results of Liberal Party Congress

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SUPPLEMENT TO REPORT NO.

- 1. During the Ecuadoran Liberal Party Assembly in Juito from 5-8 June 1949, a group headed by Earlos Mancheno and Julio Moreno Espinos emerged as the directing force of the Party. Mancheno and his supporters controlled the passage of all resolutions adopted, including the declaration of open opposition to the Plaza administration, and brought into the open the results of many months of subversive plotting which had been carried on by their group. It had been definitely stated by Mancheno's followers, under the direction of Julio Moreno, that they do not intend to start any revolutionary action in the near future, but plan to associate the Plaza administration in the public mind with the Conservatives. When the Mancheno group gains sufficient strength, they would then feel it their duty to oust an administration which was not adhering to the Liberal policies for which the people had voted.
- 2. According to Guayaquil Liberals, future plans of the Mancheno faction include a Liberal Party-controlled legislature at the next session of the National Congress in August 1949 to impeach several members of Plaza's cabinet. Those particularly mentioned are Eduardo Salazar, a Liberal Party member and Minister of Government; Rupert Alarcon, the Comptroller General; and possibly Franklin Tello, Minister of Welfare, and Manuel Diaz Granados, Minister of Mational Defense.
- 3. Reports from Guayaquil indicate that Mancheno's plans have not met with particular favor with many Liberal Party members. Dr. Carlos Arroyo del Rio, former President and an independent Liberal, is reported to be attempting to group all dissident elements of the Liberal Party who are opposed to the Mancheno group to work in his favor. Arroyo reportedly stated that Mancheno's action was premature and will only continue to split the Liberal Party into small factions. It is known that the majority of Liberals in Guayaquil who are not particularly active in party affairs and who did not resist the Mancheno-sponsored resolutions, are in agreement with Arroyo del Rio. They feel that within a short time the critical economic situation in Ecuador will force Galo Plaza to make cabinet changes in response to public criticism, thus giving the Liberals control of the cabinet and of administrative policy.
- 4. Liberals in Guayaquil are particularly critical of Mancheno's policy of trying to associate the Plaza government with the Conservatives. They are

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of the ominion that this time-worn political tactic has never benefited their Party and has been detrimental to securing the cooperation of other political groups, which is essential if Ecuadoran economic betterment is to be achieved.

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